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TAGS: PREL ECON KMDR OPRC CH

SUBJECT: MEDIA REACTION: SIX PARTY TALKS, JAPANESE ELECTION, U.S.-CHINA TRADE RELATIONS

Editorial Quotes

¶1. SIX PARTY TALKS

"What if the Six-Party Talks completely fail? (pg 14)"

The official Communist Party international news publication Global Times (Huanqiu Shibao)(09/02): "There are several possible outcomes If all the parties involved in the Six-Party Talks insist on maintaining their own views and refuse to make any compromises: first, the ability to negotiate systematically may disappear. International society, except for the Six-Party Talks, has no other negotiation system that insures that they do not irritate North Korea or offend China. Second, the U.S. and North Korea might conduct bilateral talks on their own, to the exclusion of all other parties. Meaning that, the U.S. may accept North Korea's position as a nuclear country without explicitly announcing their acceptance. North Korea's nuclear weapons only threaten countries neighboring North Korea. Third, there could be a 3+1 meeting may be held (the U.S, Japan, South Korea plus North Korea), excluding China and Russia. Fourth, the 'Five-Party Talks' may be held. Meaning that, there are two possibilities: either the U.S., South Korea, Japan and Russia hold their own Four-Party Talks first and then the U.S. represents them when it meets with North Korea alone; or the five parties hold talks together. Either way, the process of denuclearizing the Korean peninsula excludes China. The negative impact to China's diplomacy incrementally increases from the first outcome to the fourth. However, in terms of China's national interest, the worst outcome is the first outcome. The first outcome indicates that the international society has no solutions to the North Korean nuclear issue. The best outcome is the fourth outcome. The fourth outcome indicates that the denuclearization process is steadily progressing.

12. JAPANESE ELECTION

"Reforms start from Japan's political arena (pg 2)"

Guangdong 21st Century Publishing Company Ltd.'s business newspaper 21st Century Business Herald (21Shiji Jingji Baodao)(09/02): "The victory of Japan's Democratic Party [DPJ] is considered the result of the bad performance by the Liberal Progressive Party rather than a strong performance by the DPJ. The DPJ's victory was bolstered by the economic crisis, which will certainly add pressure to the DPJ's future abilities. The original political framework, where the needs of the newly-rising social classes couldn't be satisfied, is the reason that Japan's party has changed. If it really intends to construct a two-party system, Japan must reform its bureaucracy. Generally speaking, with the DPJ's electoral victory, Japan has entered an irreversible new historical and political phase. It is improbable that Japan will return to the Liberal Democratic Party's system where 'one-party rules'. The DPJ will not easily give up their opportunity to hold onto power and expand their electoral base. In a sense, the political reform in Japan has provided a new

paradigm for other Asian countries to deepen their democracies."

13. U.S.-CHINA TRADE RELATIONS

"U.S. broiler meat imports attacked; Chinese producers fear losing market share to cheaper rival (pg 13)"

The official English-language newspaper China Daily (09/02): "The Chinese government is considering whether to launch trade remedy measures against imports of broiler meat from the United States, the largest broiler meat exporter to China, the China Animal Agriculture Association said. The association, representing 20 large-scale broiler meat companies whose annual output accounts for more than 50 percent of the total, is worried losing market share to the U.S. 'We are aware of the appeal from the industry and we will carefully study it and respond accordingly,' said officials from the Ministry of Commerce. The proposal, if enacted, will be the first trade remedy deal that China has launched in the agriculture industry and will seriously reduce U.S. broiler exports. It comes at a critical time with China and the US embroiled in a row over possible tariffs imposed on some Chinese made tires. Price is the key reason behind the shift, as consumers have become more sensitive to it during the financial crisis. Chinese manufacturers have the capability to meet domestic demand without U.S. imports."

HUNTSMAN